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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/597,881	06/20/2000	Robert Rademacher	6311-11	5018

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200 PARK AVENUE
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EXAMINER

POINVIL, FRANTZY

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 11/19/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/597,881

Applicant(s)

RADEMACHER ET AL.

Examiner

Frantzy Poinvil

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-- The MAILING DATE of this communication appears on the cover sheet with the corresponding address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 6/20/00.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-50 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-50 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Claim Rejections - 35 USC § 112

1. Claims 40-50 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per claims 40 and 50, it is unclear as to how a geographic area contains information or displays information as claimed.

Claims not specifically addressed are rejected based on their dependencies.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-2, 4-8, 10-19, 22-29, 31, 35-48 and 50, rejected under 35 U.S.C. 103(a) as being unpatentable over Sampson et al (US Patent No.5,802,499) and the "Wall Street Letter" article.

As per claims 1-2, 4-8, 10-19, 23, 24-29, 31, 35, 37, 38, 39 and 50, Sampson et al disclose a method and system for providing credit support to parties associated with derivatives and other financial transactions. Sampson et al disclose the identifying, quantifying and

determining steps. Managing leverage relating to the collateral to offset the exposure is not specifically taught by Sampson et al. In article entitled "BOTCC to accept shares of stock as margin, it is indicated that "To offset the additional risk associated with accepting shares of stock as collateral, the BOTCC will impose a 'haircut' on the stock's value... For example, if a stock is priced at \$100 per share, the BOTCC may give a member committing that share \$60 toward his margin requirement". See the article. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings provided in the Wall Street Letter into Sampson et al in order to minimize potential losses of a lender.

As per claim 36, the exposure relates to a particular entity. See Sampson et al and the Wall Street Letter.

As per claim 22, the combination of Sampson et al and the "Wall Street Letter" are discussed above. The combination of Sampson et al and the "Wall Street Letter" does not explicitly teach "computing net exposure values separately for financial product groupings and accumulating product grouping totals according to a parent entity". As per these features, it is noted that there exists a plurality of types of financial product groupings. Accumulating product grouping totals according to a parent entity would have been obvious to one of ordinary skill in the art in the combination of Sampson et al and the "Wall Street Letter" in order to create a well presented and organized report detailing all types of product groupings.

As per claim 40, claim 40, contains features recited in claim 1 and these features are rejected under a similar rationale. Claim 40 further recites a geographic area. As per this feature, Sampson et al disclose having clients in any geographic area. Applicant is directed to column 4, lines 12-18 of Sampson et al.

As per claim 41, the electronic display of Sampson et al is a computer screen.

As per claim 42, the combination of Sampson et al and the Wall Street Letter does not explicitly state the electronic display is a handheld computing device. Such would have been obvious to one of ordinary skill in the art in the combination of Sampson et al and the Wall Street Letter in order to allow alternate means of accessing the system of Sampson et al and the Wall Street Letter.

As per claims 43-48, providing a Party-Counterparty view mode or an area displaying a net replacement value or an area displaying product or market segregation or an area displaying a required margin for a product or market area or an area displaying collateral confirmed settled from a custodian or an area displaying collateral pledged but not yet confirmed from a custodian would have been obvious in the combination of Sampson et al and the Wall Street Letter with the motivation of providing an interactive system and a system where involved parties may instantly view some information of the other parties.

4. Claims 3, 32-34 and 49 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sampson et al (US Patent No.5,802,499) and the "Wall Street Letter" article as applied to claims 1, 31 and 40 above and further in view of Aziz et al (US Patent No. 6,018,721).

As per claim 3, the combination of Sampson et al and the "Wall Street Letter" are discussed above. The combination of Sampson et al and the "Wall Street Letter" does not explicitly state the exposure is quantified as a monetary value in a local currency. Aziz et al disclose a method and system for improved collateral monitoring and control involving "assessing the risk associated with holding securities of a particular type, and the risk associated

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with holding securities in currencies other than the liability currency. See the abstract. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Aziz et al into Sampson et al and the "Wall Street Letter" in order to make the system world wide acceptable whereby all individuals are welcome to join the overall system.

As per claim 32, the combination of Sampson et al and the "Wall Street Letter" does not explicitly teach a data management engine operative according to programmable code to process conditional values based upon market conditions and perform currency translations. Sampson et al is a computerized system having programmable codes for performing various functions. The Wall Street Letter clearly indicates managing leverage with a minimum margin requirement. It would have been obvious to the skilled artisan to note that such would have depended upon the market value of a stock and on the market condition. Providing such in the combination of Sampson et al and the Wall Street Letter would have been obvious to one of ordinary skill in the art in order to create a flexible system accommodating users needs according to the direction of the market and the need of individual clients. Providing currency translations is not explicitly taught by the combination of Sampson et al and the Wall Street Letter. Aziz et al disclose a method and system for improved collateral monitoring and control involving "assessing the risk associated with holding securities of a particular type, and the risk associated with holding securities in currencies other than the liability currency. See the abstract. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Aziz et al into Sampson et al and the "Wall Street Letter" in order to make the system world wide acceptable whereby all individuals are welcome to join the overall system.

The combination of Sampson et al, the "Wall Street Letter" and Aziz includes set of rules for performing the claimed functions.

As per claim 34, providing an event notification engine to receive and publish information in the combination of Sampson et al, the "Wall Street Letter" and Aziz would have been obvious to one of ordinary skill in the art at the time the invention was made to include therein in order to provide users with current and updated news relating to their account.

5. Claims 9, 18, 20, 21, 26 and 30 is rejected under 35 U.S.C. 103(a) as being unpatentable over Sampson et al (US Patent No.5,802,499) and the "Wall Street Letter" article as applied to claims 1 and 27 above in further view of Kirksey (US Patent No. 6,460,021).

As per claims 9, 20 and 21, the combination of Sampson et al and the "Wall Street Letter" are discussed above. The combination of Sampson et al and the "Wall Street Letter" fails to explicitly teach "calculating an aggregate exposure accumulating comprising cross-entity exposure netting, cross, product exposure netting and cross agreement exposure netting. Kirksey discloses a collaterally secured debt obligation system and method involving calculating an aggregate exposure as claimed. Applicant is directed to column 5, line 15 to column 9, line 23 of Kirksey. It would have been obvious to one of ordinary skill in the art the time the invention was made to incorporate the teachings of Kirksey into the combination of Sampson et al and the "Wall Street Letter" in order to allow a buyer to obtain a lower interest rate and/or with reduced down payment. See Kirksey on page 9, lines 10-20. Features of claims 20 and 21 are also noted on column 5, line 15 to column 9, line 23 of Kirksey.

As per claim 18, Kirksey teaches that the entity comprises a volume purchase group. See column 5, line 15 to column 9, line 23 of Kirksey.

As per claim 26, Kirksey discloses a collaterally secured debt obligation system and method involving calculating an aggregate exposure as claimed. Applicant is directed to column 5, line 15 to column 9, line 23 of Kirksey. Kirksey also teaches the market segment relates to a specific industry such as the real estate industry

As per claim 30, Kirksey does not explicitly teach the online transaction is resultant to an online auction. The Examiner asserts that the system of Kirksey would have been practicable to most types of businesses as such is not restricted to any type of businesses. The system being directed to an online auction would have been obvious to the skilled artisan in order to provide a flexible system and making the system available and attractive to various types of businesses.

Claim Rejections - 35 USC § 101

6. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-30, 35-37 and 39-50 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not

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apply, involve, use or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. In the present case, claims 1-30, 35-37 and 39-50 do not recite any structure or functionality to suggest that a computer performs the recited claims. Thus, claims 1-30, 35-37 and 39-50 are rejected as being directed to non-statutory subject matter

Conclusion

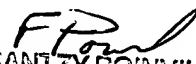
7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday-Thursday 7:00AM-5:30PM.

The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9326 for Before Final actions and (703) (872-9327).

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

FP

November 15, 2003


FRANTZY POINVIL
PRIMARY EXAMINER
AU 3628